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September 1, 2017

Gerald Poliquin
Secretary of the Board
National Credit Union Administration
1775 Duke Street
Alexandria, VA 22314-3428

Re: Stabilization Fund Closure proposal

Dear Mr. Poliquin,

Thank you for the opportunity to comment on the National Credit Union Administration's proposal to close the Temporary Corporate Credit Union Stabilization Fund (TCCUSF) and raise the National Credit Union Share Insurance Fund (NCUSIF) normal operating level to 1.39%.

This letter is written on behalf of the Board of Directors, management team and members of CME Federal Credit Union. CME continues its 82-year tradition of serving those who serve us, our first responders – police and fire, municipal employees and teachers, along with all of the members of our community of Central Ohio.

We strongly support the closure of the TCCUSF and the subsequent return of special assessments to credit unions. This action is very much appreciated because we believe the funds do not belong to NCUA, they don't even belong to CME, but rather to the 32,648 member-owners that entrust us with their financial assets. It is the MEMBERS' MONEY, and no one should ever forget that point!

To that end, CME is about only taking from our members (net income) what we have to in order to meet expenses and required regulatory reserves. As you are well aware, the way that we fund capital is through net income, which must be taken directly out of the pockets of our member-owners. By returning the \$1.1 million CME contributed to the fund, our capital level will be stronger and therefore reduce our need to take more from our members, enabling us to provide greater value to our member-owners in the very near future.

Stronger credit union capital also is relevant to the proposal to increase the normal operating level of the NCUSIF to 1.39%. The fund has operated within a level of 1.20% and 1.30% for many years and currently stands at a healthy 1.26%. The Credit Union industry is stronger now than



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perhaps it ever was, with extremely few failures and a very low number of organizations rated CAMEL 3 or below. The current NCUSIF funding level was sufficient to weather the storm of the Great Recession and nothing appears on the horizon to indicate that additional funding is necessary. According to NCUA's IQ Call Report Summary, FICU net worth stands at 10.7%, well above the regulatory well-capitalized limit of 7%. The refund would further strengthen capital levels, which would support maintaining the NCUSIF at the current 1.20% to 1.30% levels.

Regardless, we believe that consideration of the adequacy of NCUSIF funding levels should be completely removed from any decision regarding the TCCUSF. If a case is successfully made that the NCUSIF funding level should be increased, that proposal should stand on its own merits and be subject to appropriate scrutiny.

Thank you for the opportunity to comment and we look forward to receiving our share of the TCCUSF when it is returned to our member-owners.

Sincerely,

A handwritten signature in blue ink, appearing to read "Jeff Carpenter", with a stylized flourish extending to the right.

Jeff Carpenter
President/CEO